

DRAFT

A Project Proponent's Guide

for

Developing a Business Case

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Reference Documentation:

The Managed Evolutionary Development Guidebook: Process Description and
Application, Revision June 1, 1993, Mitre, McLean, Virginia

Information Technology Investment Management, A Framework for Assessing and Improving
Process Maturity, May 2000, US General Accounting Office

1.0 Purpose

The System Coordination Office (SCO) developed guidelines and templates to aid project proponents in the development of project documents to determine if the Bureau should invest in the proponent's proposal for improving the way we conduct business.

This document provides the guidelines to be used in the development of a Business Case. Once a Business Case is approved by the Information Technology Investment Board (ITIB), additional guidelines will be provided to the designated Project Manager on the development of an Acquisition Plan and a Project Plan.

These guidelines will provide uniform guidance, requirements, and specific instructions for developing project planning documents. These guidelines will change as experience is gained and the SCO project management guidelines undergo continuous process improvement. This guide is part of the overall project management best management practices that have been developed by the SCO.

2.0 Applicability

These guidelines apply to *all* business cases.

3.0 Management Objectives

The objectives of these guidelines are to describe and establish a standardized, repeatable process for developing a Business Case.

A Business Case has been defined by the General Accounting Office (GAO) in their Information Technology Investment Management, A Framework for Assessing and Improving Process Maturity, document dated May 2000 as:

A structured method for organizing and presenting a business improvement proposal. Organizational decision makers typically compare business cases when deciding to expend resources. A business case typically includes an analysis of business process performance and associated needs or problems, proposed alternative solutions, assumptions, constraints and a risk-adjusted cost/benefit analysis.

Project planning is necessary if project proponents and project managers are to develop and implement successful systems. The level of effort to document objectives, requirements, scope, and implementation strategy, however, needs to be carefully weighed against performing the actual work to develop and implement the system.

4.0 Standardized Guidelines for Project Managers

4.1 Background Information

The SC has reviewed the Bureau's current draft Life Cycle Management guidelines, and has also reviewed and used the Managed Evolutionary Development (MED) process model. Based on experience, funding and staffing level, the SCO has determined that a modified approach to the project planning process is necessary.

The reasons behind developing a modified approach to project planning are that the Bureau:

- └ is faced with trying to develop projects within a rapidly evolving environment,
- └ is often uncertain about the scope and requirements of the proposed projects,
- └ is faced with the need to proceed to meet business requirements,
- └ needs to better incorporate risk management into system development, and
- └ needs to demonstrate an orderly planning and decision process.

The original MED planning methodology recommended five separate documents that would be continuously updated throughout the life cycle of the project. These five documents were intended to document and address "uncertainties" as the project moved through its project life cycle. As new information became available or as risks were identified and resolved, the project planning documents would be updated. These five MED planning documents addressed the following areas: Systems Boundaries, Target Business Process, Target System Requirements, Target System Architecture, and a Master Plan and Schedule.

Instead of developing and updating five separate documents, the five areas identified above have been simplified and incorporated into a single document or template (See Appendix 1). All projects that meet the ITIB threshold will use the standardized Business Case template.

The SCO staff will work with each Project Proponents to develop and maintain all project planning documents.

Attachment 1-4

4.2 Standardized Guidelines

The benefits of standardized Business Cases are numerous.

P Decision makers, sponsors, and users can easily find the same information in the same place when comparing two different projects.

P A standardized format helps to ensure consistent communication and analysis.

All Project Proponents will use the Business Case Template in the development of their project proposal.

5.0 Roles and Responsibilities

SCO Manager - Responsible for screening IT investments and projects to ensure they are in line with the Bureau's selection, control, and evaluation criteria. Facilitates the maintenance of the Bureau Architecture. Responsible for facilitating and coordinating the review of all Business Cases.

Project Sponsor - A Field, Center, or Washington Office manager who authorizes the development of a business case. The System Sponsor becomes the System Owner when a business case has been approved by the ITIB.

System Owner - Responsible for selecting a Project Manager, approving all documentation and business requirements, acceptance, training, and maintenance.

Project Proponent - Responsible for developing the Business Case.

Project Manager - A trained Project Manager should be assigned once the ITIB has approved the business case. It is the Project Manager's responsibility to develop all project planning documents and bring the project to a successful implementation.